MINUTES OF MEETING OF THE INDUSTRIAL COMMISSION OF ARIZONA

Telephonic Meeting
Held at 800 West Washington Street
Phoenix, Arizona 85007
Thursday, August 27, 2020 – 1:00 p.m.

Present: Dale L. Schultz

Chairman (Telephonic) Vice Chair (Telephonic)

Joseph M. Hennelly, Jr. Scott P. LeMarr Steven J. Krenzel

Commissioner (Telephonic) Commissioner (Telephonic)

James Ashley

Director (Telephonic)

Gaetano Testini Jason M. Porter Chief Legal Counsel (Telephonic) Deputy Director (Telephonic)

Trevor Laky

Legislative Affairs Chief/Public Information Officer (Telephonic)

Renee Pastor Lisa Padgett Victoria Kamm Jennifer Krainski

Labor Director (Telephonic) Labor Supervisor (Telephonic) Labor Investigator (Telephonic) ADOSH Director (Telephonic)

Self Insurance (Telephonic)

Jessie Atencio Kara Dimas

Commission Secretary (Telephonic)

Chairman Schultz convened the meeting at 1:00 p.m. Also in attendance on the telephone, confirmed by roll call were Seema Lord (Freeport-McMoRan Inc.); Jamie Klausmeyer (Learjet, Inc.); Todd Poer and Tony Salas (Mesa Unified School District #4); Robert Murphy and Greg Esminger (Southwest Valley Construction); Shanlie Blair (Snell & Wilmer).

Approval of Minutes of August 6, 2020 Regular Meeting Minutes.

Commissioner Krenzel moved to approve the Minutes of the August 6, 2020 regular session meeting and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly and Commissioner Krenzel voted in favor of the motion. The motion passed.

Consent Agenda:

All items following under this agenda item are consent matters and will be considered by a single motion with no discussion unless a Commissioner asks to remove an item on the consent agenda to be discussed and voted on separately. The Commission may move into Executive Session under A.R.S. § 38-431.03(A)(2) to discuss records exempt by law from public inspection. Legal action involving a final vote or decision shall not be taken in Executive Session. If such action is required, then it will be taken in General Session.

a. Approval of Proposed Civil Penalties Against Uninsured Employers.

- 1. 2CNP19/20-0545 Tonto Rock Products LLC \$1,000
- 2. 2CNP19/20-0454 Action Illustrated LLC \$1,000
- 3. 2C20/21-0004 MICASA Tortilla LLC \$1,000

b. Approval of Requests for Renewal of Self-Insurance Authority.

- 1. Encompass Health Corporation
- 2. Freeport-McMoRan Inc.
- 3. Learjet, Inc.
- 4. Nordstrom, Inc.

Chairman Schultz explained that while Encompass Health Corporation currently has a higher experience modification than the commission usually likes to see, it is a reduction from prior years. He also noted that Learjet has seen an increase in their experience modification factor this year but have enlisted ADOSH Consultation for help to improve their safety performance.

Commissioner Krenzel moved to approve the items on the Consent Agenda and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly and Commissioner Krenzel voted in favor of the motion. The motion passed.

Commissioner LeMarr joined the call.

Discussion and Action regarding Proposed Youth Employment Penalty.

CL-1819-0420Maluna O Ka Pao, L.L.C. DBA Javalina Cantina CL-1819-0428Maluna O Ka Pao, L.L.C. DBA Javalina Cantina

Ms. Padgett summarized the Labor Department's investigation of two separate reports of injury for the same employer, which included findings of various violations of A.R.S. § 23-233(A)(4), (A)(8)(b) and (A)(10). Ms. Padgett recommended that the Commission approve issuance of a Civil Penalty in the amount of \$1,000.00.

Commissioner LeMarr moved to approve issuance of a Civil Penalty in the amount of \$1,000.00 to Maluna O Ka Pao, L.L.C. DBA Javalina Cantina. Commissioner Krenzel seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Chairman Schultz thanked Ms. Padgett and her team for the thorough investigation.

Discussion and Action of Arizona Division of Occupational Safety and Health Proposed Citations and Penalties.

Chairman Schultz discussed the purpose of and process for the Commission's consideration of ADOSH citations and proposed penalties.

Mr. Atencio noted he would be removing Artisan Roofing Systems, and it will be added to the next Commission Agenda.

Mesa Unified School District #4 – Ramon S. Mendoza Elementary 555 S Lewis St Mesa, AZ 85205

Complaint

Years in Business:

100 +

Empl. Covered by Inspection:

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Site Location:

5831 E McLellan Rd Mesa, AZ 85205 Inspection No:

V4364 - 1479055

Inspection Date:

06/15/2020

SERIOUS – Citation 1 - Item 1 –

a) 5831 E McLellan Rd., Mesa, AZ 85205: One employee was inspecting the Mendoza Elementary School building's roof and was exposed to an 11.41 foot fall. 29 CFR 1926.501(b)(1)

Div. Proposal - \$2,500.00

Formula Amt. - \$2,500.00

SERIOUS - Citation 1 - Item 2 -

a) 5831 E McLellan Rd., Mesa, AZ 85205: One employee was on the roof of an elementary school building without first receiving fall protection training. 29 CFR 1926.503(a)(1)

Div. Proposal - \$2,500.00

Formula Amt. - \$2,500.00

TOTAL PENALTY - \$5,000.00

TOTAL FORMULA AMT. - \$5,000.00

Mr. Atencio discussed ADOSH's investigation, summarized the citation and proposed penalties.

Vice Chair Hennelly asked whether the employer has a fall protection plan and it was just not received by ADOSH. Mr. Atencio explained that there is no information in the file on fall protection specifically however this is not unusual for general industry.

Mr. Salas believes 29 CFR 1926.500(a)(1) does not apply since he was not around the work area. He would go in the morning before they would start and see the progress of the job, but worked mostly from the ground.

Mr. Poer and Mr. Salas discussed if Mr. Salas was on the roof on the day of the incident. Mr. Poer noted he did not think that Ms. Salas was on the roof but there could have been workers from the roof company.

Mr. Atencio confirmed with Mr. Salas that based on his testimony during the investigation, he was on the roof on Thursday for 30 minutes and the standard requires there cannot be any construction activity going on.

Mr. Poer, Mr. Atencio and Chairman Schultz discussed whether fall protection training and equipment have been provided before going on the roof. Mr. Poer noted they have lanyards available and everyone has completed the OSHA 10-Hour training within the last couple of months.

Mr. Atencio and Mr. Poer discussed if fall protection was addressed before the inspection. Mr. Poer noted that because of a prior incident, they were having daily safety inspections in all of the shops but since all the topics have been covered they are down to once a week now. Safety is the number one priority for the Mesa Public Schools and they have added cages to every skylight and making sure there are proper ladders with certifications on all campuses.

Commissioner Krenzel asked for clarification to confirm they had OSHA 10-Hour training. Mr. Poer confirmed every maintenance staff worker including inspectors, for about 150 staff members.

Commissioner Krenzel moved to amend the Citation since the employer will provide ADOSH with training information and in light of the extensive OSHA 10-Hour training, by proposing a 25% reduction for good faith for all items for a total penalty to \$3,750.00. Commissioner LeMarr seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Southwest Valley Constructors, Co.

Referral

3888 E Broadway Rd

Years in Business:

1

15

Phoenix, AZ 85040

Empl. Covered by Inspection:

Site Location:

210 N Coyote St

Lukeville, AZ 85341

Inspection No:

B8139 - 1470228

Inspection Date:

03/12/2020

SERIOUS – Citation 1 - Item 1 –

a) Border wall South side: Employees used a wood platform that did not have guardrails to cross a trench that was 11' deep and 36" wide at the top.

b) Border wall South side: Employees used an aluminum platform that did not have guardrails to cross over a trench that was 8' deep and 36" wide at the top. 29 CFR 1926.651(l)

Div. Proposal - \$2,500.00

Formula Amt. - \$2,500.00

SERIOUS – Citation 1 - Item 2 –

- a) Border wall South side: Employees used a wood platform to cross a trench that was 11' deep and 36" wide at the top, above protruding rebar cages that were not guarded to eliminate the hazard of impalement.
- b) Border wall South side: Employees used an aluminum platform to cross a trench that was 8' deep and 36" wide at the top, above protruding rebar cages that were not guarded to eliminate the hazard of impalement. 29 CFR 1926.701(b)

Div. Proposal - \$2,500.00

Formula Amt. - \$2,500.00

SERIOUS – Citation 1 - Item 3 –

a) Border wall Lukeville, Arizona: A steel panel of the border wall was not properly secured and tipped over onto an employee resulting in a serious injury. 29 CFR 1926.754(a)

Div. Proposal - \$2,500.00

Formula Amt. - \$2,500.00

TOTAL PENALTY - \$7,500.00

TOTAL FORMULA AMT. - \$7,500.00

Mr. Atencio discussed ADOSH's investigation, summarized the citation and proposed penalties, and reviewed the photographs.

Vice Chair Hennelly and Mr. Atencio discussed the number of employees for the business.

Mr. Murphy did not have any comments regarding the proposed citation and penalties.

Vice Chair Hennelly moved to approve the citation and proposed penalties as presented and Commissioner Krenzel seconded the motion.

Chairman Schultz commented on extensive safety programs and the importance of implementation.

Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Chairman Schultz thanked Mr. Atencio for the in-compliance report and listing of under \$2,500 citations.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Ashley reported that the Claims Seminar, held two weeks ago, after decades of successful in-person seminars, was the first virtual seminar, and the tally for total registrations was 849 individuals which is a very impressive turnout. He noted Mr. Laky is working on an attendance chart to indicate how many people were on at any given point during the seminar.

Mr. Ashley commented that the feedback was positive on the seminar and that the seminar survey will close on Friday so we will be able to soon have those results.

Mr. Ashley stated that while the agency did not have any virtual conference experts before the start of this, after the success of the virtual seminar there are a lot of employee experts in the building now. Mr. Ashley complimented the hard work from everybody to make this a big success and they were recognized as the recipients of the Golden Hard Hat Award this month.

Chairman Schultz commented that the staff did an incredible job and was really pleased to see how well the Q&A live sessions went. There were good solid questions and the team did a wonderful job at answering those questions. He noted it was one of the best teleconferences he had seen and congratulated Mr. Ashley and the team. He also noted he was pleasantly surprised at the ability of the speakers to adjust to that format and to include humor in their presentations which is hard to do if you do not have live feedback. He thought everyone did a terrific job and enjoyed every session. He suggested to think about a virtual seminar each year and an in-person, while he missed the in-person, with that level of participation, look at how many people we impacted.

Mr. Ashley thanked Chairman Schultz for his observations, and stated the interactions and personalities really shined through on everyone and participants enjoyed it.

Mr. Ashley highlighted the milestone for the ICA Tucson office in the goal towards achieving Voluntary Protection Program status with the remote banner signing last Monday. They will be working with the Special Services team and fulfilling all of the important steps that need to be completed to achieve VPP status for the Tucson building.

Ms. Dimas confirmed Commission meeting dates through November 2020. Commissioner Krenzel noted he may not be available for September 17.

Public Comment.

There was no public comment.

Commissioner Krenzel thanked staff for keeping the Commission moving and running smoothly especially after the seminar.

Commissioner Krenzel moved to adjourn and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion and the meeting was adjourned at 2:00 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

Ву

James Ashley, Director

ATTEST:

Kara Dimas, Commission Secretary